

MIRA INFORM REPORT

Report No. :	538499
Report Date :	12.11.2018

IDENTIFICATION DETAILS

Name :	C.V. CEMERLANG JAYA FASHION
Registered Office :	Jl. H. Kurdi Timur li No. 11, Astana Anyar, Bandung 40243, Bandung, West Java
Country :	Indonesia
Date of Incorporation :	2006
Legal Form :	C.V. (Commanditaire Vennootschap) or partnership with sleeping partner
Line of Business :	<ul style="list-style-type: none"> Garment and Accessories Manufacturing Trading and Import of Woven Fabrics, Polyester Fabric and Synthetic Filament Yarn
No. of Employees :	45

RATING & COMMENTS

(Mira Inform has adopted New Rating mechanism w.e.f. 23rd January 2017)

MIRA's Rating :	B
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Credit Rating	Explanation	Rating Comments
B	Medium Risk	Business dealings permissible on a regular monitoring basis

Status :	Moderate
Payment Behaviour :	Slow but Correct
Litigation :	Clear

NOTES :

Any query related to this report can be made on e-mail : infodept@mirainform.com while quoting report number, name and date.

ECGC Country Risk Classification List

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Country Name	Previous Rating (30.06.2018)	Current Rating (30.09.2018)
Indonesia	A2	A2

Risk Category	ECGC Classification
Insignificant	A1
Low Risk	A2
Moderately Low Risk	B1
Moderate Risk	B2
Moderately High Risk	C1
High Risk	C2
Very High Risk	D

INDONESIA - ECONOMIC OVERVIEW

Indonesia, the largest economy in Southeast Asia, has seen a slowdown in growth since 2012, mostly due to the end of the commodities export boom. During the global financial crisis, Indonesia outperformed its regional neighbors and joined China and India as the only G20 members posting growth. Indonesia's annual budget deficit is capped at 3% of GDP, and the Government of Indonesia lowered its debt-to-GDP ratio from a peak of 100% shortly after the Asian financial crisis in 1999 to 34% today. In May 2017 Standard & Poor's became the last major ratings agency to upgrade Indonesia's sovereign credit rating to investment grade.

Poverty and unemployment, inadequate infrastructure, corruption, a complex regulatory environment, and unequal resource distribution among its regions are still part of Indonesia's economic landscape. President Joko WIDODO - elected in July 2014 – seeks to develop Indonesia's maritime resources and pursue other infrastructure development, including significantly increasing its electrical power generation capacity. Fuel subsidies were significantly reduced in early 2015, a move which has helped the government redirect its spending to development priorities. Indonesia, with the nine other ASEAN members, will continue to move towards participation in the ASEAN Economic Community, though full implementation of economic integration has not yet materialized.

Source : CIA

COMPANY NAME AND ADDRESS

Name of Company :

C.V. CEMERLANG JAYA FASHION

Address :

Head Office

Jl. H. Kurdi Timur II No. 11,
Astana Anyar, Bandung 40243,
Bandung, West Java
Indonesia

Phone - (62-22) 612 4828
Fax - (62-22) 612 6963
Building Area - 2 storey
Office Space - 130 sq. meters
Region - Commercial
Status - Rent

Factory

Desa Tanjungwangi, Pacet,
Bandung 40385, West Java
Indonesia

Phone - (62-22) 5950048
Land Area - 1,400 sq. meters
Building Area - 850 sq. meters
Region - Commercial
Status - Rent

Date of Incorporation :

2006

Legal Form :

C.V. (Commanditaire Vennootschap) or partnership with sleeping partner

Company Reg. No. :

Not Required

Company Status :

National Private Company

Permit by the Government Department :

Not available

Related/Affiliated Company :

Not available

CAPITAL AND OWNERSHIP

Capital Structure :

Authorized Capital - Rp. 1.5 billion

Owners :

- a. Mr. Sutrisno Andi Saputra (Active Partner)
- b. Mrs. Sutrisno Andi Saputra (Silent Partner)

BUSINESS ACTIVITIES

Lines of Business :

- a. Garment and Accessories Manufacturing
- b. Trading and Import of Woven Fabrics, Folyester Fabric and Synthetic Filament Yarn

Production Capacity :

- a. Bed covers and bed sheets - 80,000 dozens p.a.
- b. Garment Accessories - 40,000 pieces p.a.

Total Investment :

Owned Capital - Rp. 1.5 billion

Started Operation :

2006

Brand Name :

BONITA DISPERSE

Technical Assistance :

None

Number of Employee :

45 persons

Marketing Area :

Domestic (40%) and Export (60%)

Main Customers :

- a. Garment and Bedcover Distributors and Dealers in Bandung and Jakarta
- b. Export to Mexico (Groupo Logistico Sevilla S.A)

Market Situation :

Very Competitive

Main Competitors :

- a. P.T. INSANI JAYA MANDIRI
- b. P.T. CIPTA GRIYA MUATIARA BUSANA
- c. C.V. ASENY APPAREL
- d. C.V. KARYA BUMIPUTERA ABADI

Business Trend :

Declining

BANKER, AUDITOR & LITIGATION

Banker :

P.T. Bank CENTRAL ASIA Tbk
Jl. Asia Afrika No. 122-124
Bandung, West Java
Indonesia

Auditor :

Internal Auditor

Litigation :

No litigation record in our database

FINANCIAL FIGURE

Annual Sales (estimated) :

2014 – Rp. 43.0 billion
2015 – Rp. 38.0 billion
2016 – Rp. 32.0 billion
2017 – Rp. 26.0 billion

Net Profit (estimated) :

2014 – Rp. 2.9 billion
2015 – Rp. 2.6 billion
2016 – Rp. 2.2 billion
2017 – Rp. 1.8 billion

Payment Manner :

Slow but Correct

Financial Comments :

Fairly

KEY EXECUTIVES

Board of Management :

Director - Mr. Sutrisno Andi Saputra

Board of Commissioners :

Commissioner - None

Signatories :

Director (Mr. Sutrisno Andi Saputra) which must be approved by Board of Commissioner

CAPABILITIES

Management Capability :

Fairly

Business Morality :

Fairly

OVERALL PERFORMANCE

C.V. CEMERLANG JAYA FASHION (C.V. CJF) was established in the 2006 in Bandung (West Java) with the legal status of C.V. (Commanditaire Vennootschap) or Partnership with Sleeping Partner. The founding owners of the company are Mr. Sutrisno Andi Saputra (as active partner) and his wife Mrs. Saputra (as silent partner), both of are Indonesian business family of Chinese extraction. As in common in cases of companies with C.V. status, there is no mention in the company's notary act of its capital structure. But going by the company's conditions, we estimate its capital at some Rp. 1.5 billion and it will be rising in line with the progress of its business operation.

C.V. CJF has been in operation since 2006 dealing with garment and its accessories manufacturing. Its plant is located at Desa Tanjungwangi, Pacet, Bandung West Java, where it stands on a 1,400 square meters landsite. The above plant produces 80,000 dozens of bedcovers and bed sheets and 40,000 pieces of accessories per year. CV CJF imports raw materials in the form of woven/polyester fabrics and synthetic filament yarn from India and South Korea. Furthermore, the raw materials are produced into bed covers and bed sheets, using the trademark "Bonita Disperse". Some 60% of the products are exported to Mexico and the USA, meanwhile the rest of 40% is marketed locally among garment and bedcover distributors and dealers in Bandung and Jakarta. We observed that C.V. CJF is classified as a small sized company of its kind in the country of which the operations have declined in the last three years.

Generally, the demand for garment and textile products tended to be fluctuating within the last five years in line with the fluctuating of Indonesian textile industry in general. According to the Central Bureau of Statistics (BPS) the Indonesia garment export in 2010 amounted to 445.2 thousand tons (US\$.6,598.0 million) increased to 450.9 thousand tons (US\$.7,801.5 million) in 2011 to 450.2 thousand tons (US\$.7,304.8 million) in 2012 to 470.2 thousand tons (US\$.7,501.0 million) in 2013 declined to 463.9 thousand (US\$.7,450.0 million) in 2014 and declined

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again to 378.6 thousand tons (US\$.6,410.9 million) in 2015 and rose again to 425.9 thousand tons (US\$.7,212.6 million) in 2016. The export volume and value of the national garment and textile products in 2002 to 2016 are pictured on the following table.

Year	Garment		Textile Product	
	(Thousand Ton)	(US\$ Million)	(Thousand Ton)	(US\$ Million)
2002	333.1	3,887.2	1,425.9	3,075.9
2003	339.9	4,037.9	1,307.5	3,064.6
2004	327.3	4,351.9	1,300.4	3,354.6
2005	369.5	4,967.0	1,427.3	3,704.0
2006	399.6	5,608.1	1,477.8	3,908.6
2007	399.8	5,712.9	1,473.6	4,178.0
2008	417.6	6,092.2	1,312.2	4,127.9
2009	393.4	5,735.6	1,369.6	3,602.8
2010	445.2	6,598.0	1,525.9	4,721.8
2011	450.9	7,801.5	1,493.3	5,563.3
2012	450.2	7,304.8	1,508.5	5,278.1
2013	470.2	7,501.0	1,633.1	5,293.6
2014	463.9	7,450.9	1,815.6	5,379.9
2015	378.6	6,410.9	1,481.7	4,415.0
2016	425.9	7,212.6	1,563.9	4,660.0

Until this time C.V. CJF has not been registered with Indonesian Stock Exchange, so that they shall not obliged to announce their financial statement. Therefore, the company has no obligation to publish financial statement publicly. We have checked to Department of Trade and Industry and found that no financial statement has been reported. C.V. CJF's management is very reclusive to outsider and rejecting to disclose its financial condition but we estimated the total sales turnover of the company in 2015 amounted to Rp. 38.0 billion declined to Rp. 32.0 billion in 2016 and dropped again to Rp. 26.0 billion in 2017. The operation in 2017 yielded a net profit at least Rp. 1.8 billion and the company has a total net worth of Rp. 3.0 billion. So far we did not hear that C.V. CJF has been black listed by Bank Indonesia (Central Bank) or having detrimental cases being settled in local district court. The company usually pays its debts punctually to suppliers.

The management of C.V. CJF is led by Mr. Sutrisno Andi Saputra (46) a businessman who has experienced more than 15 years in the garment and its accessories manufacturing. The management is also handled by a number of professional staffs in this business, having maintained a wide business relation with private businessmen at home and abroad as well as with government authorities. So far, we did not hear that the management of the company being filed to the district court for detrimental cases or involved in any business malpractices. The company's litigation record is clean and it has not registered with the black list of Bank of Indonesia.

Considering the operation of C.V. CJF declined in the last three years and economic condition in the country is still unstable, we recommend to treat prudently in extending any new loan to the company.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 72.73
UK Pound	1	INR 94.87
Euro	1	INR 82.52
IDR	1	INR 0.0049

Note : Above are approximate rates obtained from sources believed to be correct

INFORMATION DETAILS

Analysis Done by :	VIVR
Report Prepared by :	KET

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RATING EXPLANATIONS

Credit Rating	Explanation	Rating Comments
A++	Minimum Risk	Business dealings permissible with minimum risk of default
A+	Low Risk	Business dealings permissible with low risk of default
A	Acceptable Risk	Business dealings permissible with moderate risk of default
B	Medium Risk	Business dealings permissible on a regular monitoring basis
C	Medium High Risk	Business dealings permissible preferably on secured basis
D	High Risk	Business dealing not recommended or on secured terms only
NB	New Business	No recommendation can be done due to business in infancy stage
NT	No Trace	No recommendation can be done as the business is not traceable

NB is stated where there is insufficient information to facilitate rating. However, it is not to be considered as unfavourable.

This score serves as a reference to assess SC's credit risk and to set the amount of credit to be extended. It is calculated from a composite of weighted scores obtained from each of the major sections of this report. The assessed factors are as follows:

- Financial condition covering various ratios
- Company background and operations size
- Promoters / Management background
- Payment record
- Litigation against the subject
- Industry scenario / competitor analysis
- Supplier / Customer / Banker review (wherever available)